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UNITED  
OFFICE of the Secretary

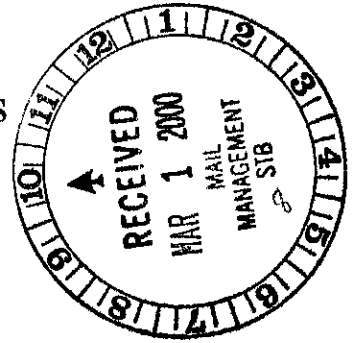
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Part of  
Public Record



Views on Major Rail Consolidations  
STB Ex. Parte No. 582

BNSF/CN  
STB Finance Docket No. 33842



Good afternoon, my name is Ray Traggianese and I am the Manager of Distribution at Arch Chemicals Inc. We are a moderate size specialty chemicals company headquartered in Norwalk, CT. My company is a user of rail transportation. Our annual volume is approximately 8 million dollars in rail freight expenses. We utilize Union Pacific, Kansas City Southern, CSX Transportation, Norfolk Southern and Burlington Northern Santa Fe for some of our transportation needs. We are current members of the CMA (Chemical Manufacturers Association), the NIT League (National Industrial Transportation League) and HMAAC (the Hazardous Materials Advisory Council).

I would like to say that we (Arch Chemicals) support the STB's decision to solicit public comment on the BNSF/CN merger and potential future rail consolidations. I appreciate the opportunity to appear before the Board today and relay our experience as a customer of past rail mergers.

Over the past five years my company has experienced the effect of the service disruptions caused by past rail mergers. While improvements in technology may be taking place, my company and our customers have had to bear the cost of these improvements. We have experienced shipment delays, switching delays and sometimes no switching at all. We have seen cars sit in yards or on tracks for extensive periods of time due to congested traffic conditions. We have seen transit times increase dramatically only to settle back to a higher level than they were prior to a merger. Most recently we

have seen miss-routed shipments that take anywhere from several days to several weeks for the railroad to correct. All of this has caused our company to manage through the merger process by adding additional railcars, paying for overtime, adding additional resources or incurring the cost of alternative transport modes to avoid a loss of business. It has been a long, expensive and resource consuming process to the consumers of railroad services.

While we are not directly opposed to these mergers, to date we have yet to see the value added to our business. We have not benefited from any economic efficiency that the railroads may have achieved. We have not seen improved services. We have not seen better transit times. In short I cannot think of one benefit these past five years of rail mergers has had to my company or our industry.

In closing I would like to say that while the proposed merger of BNSF/CN may have little impact on the shipment of Arch Chemicals products, the continuation of rail mergers could have a devastating impact on the captive consumers of rail services, both financially as well as morally.

Thank you for your time and I will now address any questions the board may have for me.

Ray Traggianese  
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